

1.0 Utah State Office of Education

Summary

The Utah Constitution places the responsibility for the “general control and supervision of the public school system” with the State Board of Education which then appoints the State Superintendent. The State Superintendent administers the Utah State Office of Education (USOE). The State Board of Education, which is also the Utah State Board of Applied Technology Education, has under its control and supervision a number of Legislative funded entities. These include the Utah State Office of Education; Utah State Office of Rehabilitation; Utah Schools for the Deaf and the Blind; the Minimum School Program; School Building Programs; Child Nutrition (School Lunch Program); Applied Technology Education; Fine Arts and Science; and Educational Contracts. This budget (Utah State Office of Education) includes only those programs that relate to services and functions provided by the Office itself. The Analyst recommends an appropriation of \$129,257,200 for the Utah State Office of Education.

Financial Summary

	FY 1998	FY 1999	FY 2000	FY99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$13,410,500	\$13,613,700	\$13,613,700	
Uniform School Fund One-Time		70,000		(\$70,000)
Federal Funds	91,042,500	109,303,100	109,303,100	
Dedicated Credits	5,310,700	4,939,100	4,939,100	
Mineral Lease	685,900	697,500	641,300	(56,200)
GF Restr. - Sub. Abuse Prev.	91,900	106,400	225,000	118,600
DC - Displaced Homemakers		320,000	320,000	
Beg. Nonlapsing	3,748,400	4,664,800	3,866,300	(798,500)
Closing Nonlapsing	(4,664,800)	(3,866,300)	(3,866,300)	
Transfers	211,900	215,000	215,000	
Total	\$109,837,000	\$130,063,300	\$129,257,200	(\$806,100)
Programs				
Board of Education	\$1,206,600	\$1,165,200	\$643,200	(\$522,000)
Instructional Service	75,712,600	90,491,600	90,388,900	(102,700)
Applied Technology Ed.	20,084,200	21,839,200	21,839,200	
Agency Support	4,303,800	4,809,600	4,509,600	(300,000)
Strategic Planning	8,529,800	11,757,700	11,876,300	118,600
Total	\$109,837,000	\$130,063,300	\$129,257,200	(\$806,100)
FTE		206.5	206.5	

2.0 Budget Highlights: Utah State Office of Education

2.1 Reading Readiness and other Funding Requests.

The Governor recommended funding to develop reading readiness curriculum and program support in the amount of \$500,000. This program will need to be prioritized by the Legislature for funding consideration. The Analyst has not included the funding in this recommended budget.

The Governor also recommended \$295,000 for the Utah State Office of Education to support the following three areas:

- | | |
|---|-----------|
| 1. Alternative Language support staff - | \$100,000 |
| 2. Assessment and Evaluation Staff - | 120,000 |
| 3. Read to me Program | 75,000 |

This funding was not included in the budget recommendation of the Analyst. It is an item of consideration for sub-committee prioritization also.

2.2 Funding Changes

The Analyst estimates increased funding in restricted fund collections for substance abuse prevention. Also, federal mineral lease estimates by the Analyst's office for FY 2000 are expected to decline by \$56,200.

Summary of Analyst's Budget Recommendations

Budget Highlights and Funding Total

The Analyst's total budget recommendations for USOE is \$129,257,200. The Analyst's total recommendation is \$806,100 less than the FY 1999 estimate. The majority of this difference comes from changes in fund balances.

Non-lapsing balances

- ▶ The majority of the non-lapsing balances are restricted revenues for Drivers education that is collected late in the year and carries over to the next fiscal year. There are also data processing accounts and other restricted accounts that have the same situation year after year. The Analyst has reduced from the budget those funds that will be expended prior to FY 1999 thus accounting for a decline in balances of \$798,500.

3.1 Program: State Board of Education

Recommendation

The Analyst recommends \$727,300 for the State board of Education. The Analyst's budget recommendation includes \$612,300 in Uniform School Fund Revenues. The budget lists three Full-Time-Equivalent (FTEs) positions. However, there are also 15 board Members, along with the secretary/administrative assistant, state lands specialist and an internal auditor.

Summary

The State Board of Education Program provides for the per diem, travel and other expenses of the board members of the State Board of Education. Each of the 15 board members receives direct salary compensation as well as benefits included in the State benefit plan. The State Board is the body which directs education and makes decisions on the rules governing educational policy and administration. The board has sub divided into committees. The committees are: Board Executive and Audit; Administration, Finance, Strategic Planning and Legislation; Applied Technology and Rehabilitation; and Curriculum and Instruction. There are also seventeen different advisory committees to the Board.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$1,152,100	\$612,700	\$612,700	
Dedicated Credits	25,000	25,000	25,000	
Mineral Lease	73,300	50,000	5,500	(\$44,500)
Beg. Nonlapsing	433,700	477,500		(477,500)
Closing Nonlapsing	(477,500)			
Total	\$1,206,600	\$1,165,200	\$643,200	(\$522,000)
Expenditures				
Personal Services	\$506,900	\$380,400	\$380,400	
In State Travel	21,800	21,800	21,800	
Out of State Travel	27,000	27,000	27,000	
Current Expenses	375,400	303,100	76,300	(\$226,800)
Data Processing	1,000	20,400	13,000	(7,400)
Pass Through	274,500	412,500	124,700	(287,800)
Total	\$1,206,600	\$1,165,200	\$643,200	(\$522,000)
FTE	3.0	3.5	3.5	

3.2 Programs: Instructional Services

Recommendation The Analyst recommends a total budget of \$90,388,900 for Instructional Services. This is \$102,700 less than FY 1999. The differences are a result of changes in fund balances; decreased revenue estimates for mineral lease funding and reduction of one time funding.

Summary Instructional Services is by far the largest section in the State Office. It accounts for approximately 39 percent of the payroll and 65 percent of the total budget.

The Division of Instructional Services provides leadership and support to local school districts, public and private schools, post-secondary educational institutions, parents, teachers, and educational agencies. The services provided are categorized into the sections of Certification and Personnel Development, Curriculum, Evaluation and Assessment, and Services for At-Risk Students. The Instructional Services Division assists districts with individual subject planning and curriculum development. They are responsible for defining, developing, disseminating, and implementing the Core Curriculum Standards and other curriculum requirements of the State Board or the Legislature. There are specialists in areas such as Math, Science, Arts, Physical Education, Special Education, etc. There are 83.6 FTEs positions funded in this program.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$4,373,300	\$4,813,400	\$4,813,400	
Uniform School Fund One-Time		70,000		(\$70,000)
Federal Funds	70,824,500	85,075,700	85,075,700	
Dedicated Credits	75,400	69,000	69,000	
Mineral Lease	312,600	322,500	310,800	(11,700)
GF Restr. - Sub. Abuse Prev.	30,000	30,000	30,000	
Beg. Nonlapsing	115,700	106,100	85,100	(21,000)
Closing Nonlapsing	(106,100)	(85,100)	(85,100)	
Transfers	87,200	90,000	90,000	
Lapsed Funds				
Total	\$75,712,600	\$90,491,600	\$90,388,900	(\$102,700)
Expenditures				
Personal Services	\$4,448,200	\$4,779,300	\$4,779,300	
Compensation Adj.				
Sub-total	\$4,448,200	\$4,779,300	\$4,779,300	
In State Travel	118,700	118,700	118,700	
Out of State Travel	57,500	57,500	57,500	
Current Expenses	2,077,100	2,077,100	2,077,100	
Data Processing	144,500	144,500	132,800	(\$11,700)
Pass Through	68,866,600	83,314,500	83,223,500	(91,000)
Total	\$75,712,600	\$90,491,600	\$90,388,900	(\$102,700)
FTE	82.0	83.6	83.6	

3.3 Program: Applied Technology Education

Recommendation The Analyst recommends a budget of \$21,839,200 for the Applied Technology Education Division of the USOE. This is the same as the estimated budget for FY 1999. The Analyst's recommendation includes the same amount of ongoing Uniform School Fund Revenue as estimated for FY 1999.

Summary The Applied Technology Education Division provides leadership and assistance to the 40 school districts, the five ATCs, and the nine ATE service regions. The Division is responsible for setting standards for all ATE programs to assure students will receive quality Applied Technology training. The Division works with local employers to insure relevant training for students to provide skilled workers the employers need.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$2,256,500	\$2,331,500	\$2,331,500	
Federal Funds	17,132,200	18,937,700	18,937,700	
Dedicated Credits	365,100	125,000	125,000	
DC - Displaced Homemakers		320,000	320,000	
Beg. Nonlapsing	339,100	133,400	133,400	
Closing Nonlapsing	(133,400)	(133,400)	(133,400)	
Transfers	124,700	125,000	125,000	
Total	\$20,084,200	\$21,839,200	\$21,839,200	
Expenditures				
Personal Services	\$2,210,800	\$2,375,000	\$2,375,000	
In State Travel	78,900	78,900	78,900	
Out of State Travel	23,500	23,500	23,500	
Current Expenses	1,295,200	1,295,200	1,295,200	
Data Processing	71,000	71,000	71,000	
Pass Through	16,404,800	17,995,600	17,995,600	
Total	\$20,084,200	\$21,839,200	\$21,839,200	
FTE	40.0	38.4	38.4	

3.4 Programs: Agency Support

Recommendation The Analyst recommends a budget of \$4,509,600 for the Division of Agency Support. The Analyst reduced the base budget by the reductions in beginning balances.

Summary The Division of Agency Support is responsible for providing the State Office of Education and the forty school districts with support in the areas of finance accounting, computer services, school law, public relations, personnel relations, and federal regulations.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$3,557,300	\$3,804,500	\$3,804,500	
Federal Funds	10,900	15,000	15,000	
Dedicated Credits	990,100	690,100	690,100	
Beg. Nonlapsing	220,500	475,000	175,000	(\$300,000)
Closing Nonlapsing	(475,000)	(175,000)	(175,000)	
Total	\$4,303,800	\$4,809,600	\$4,509,600	(\$300,000)
Expenditures				
Personal Services	\$2,465,100	\$2,677,200	\$2,677,200	
In State Travel	34,600	34,600	34,600	
Out of State Travel	18,500	18,500	18,500	
Current Expenses	373,700	420,700	420,700	
Data Processing	940,600	857,500	857,500	
D. P. Capital Outlay	27,600	47,500	47,500	
Pass Through	443,700	753,600	453,600	(\$300,000)
Total	\$4,303,800	\$4,809,600	\$4,509,600	(\$300,000)
FTE	46.0	46.0	46.0	

3.5 Programs: Strategic Planning

Recommendation

The Analyst is recommending a budget of \$11,879,300 for the Division of Strategic Planning. The Analyst's recommendation is \$118,600 more than the FY 1999 estimated budget. The Analyst estimates an additional \$118,600 in restricted fund revenue.

Summary

The Strategic Planning Services provide leadership and assistance for the implementation of Utah's Public Education and Strategic Plan. This involves fostering the State Strategic Plan within USOE and the 40 school districts as well as managing the Centennial Schools Program, Goals 2000, Service Learning and other related programs.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Uniform School Fund	\$2,071,300	\$2,051,600	\$2,051,600	
Federal Funds	3,074,900	5,274,700	5,274,700	
Dedicated Credits	3,855,100	4,030,000	4,030,000	
Mineral Lease	300,000	325,000	325,000	
GF Restr. - Sub. Abuse Prev.	61,900	76,400	195,000	\$118,600
Beg. Nonlapsing	2,639,400	3,472,800	3,472,800	
Closing Nonlapsing	(3,472,800)	(3,472,800)	(3,472,800)	
Total	\$8,529,800	\$11,757,700	\$11,876,300	\$118,600
Expenditures				
Personal Services	\$1,850,500	\$1,894,800	\$1,894,800	
In State Travel	31,900	31,900	31,900	
Out of State Travel	20,700	20,700	20,700	
Current Expenses	1,112,200	1,290,900	1,290,900	
Data Processing	99,600	99,600	99,600	
Pass Through	5,414,900	8,419,800	8,538,400	\$118,600
Total	\$8,529,800	\$11,757,700	\$11,876,300	\$118,600
FTE	34.0	35.0	35.0	

3.6 Programs: Internal Service Fund

Recommendation The Analyst recommends an appropriation of \$1,114,800 for the Internal Service fund. This is \$114,900 less than estimated for the Internal Service Fund for FY 1999. This difference is reflected in a change in dedicated credits income.

Summary The Internal Service Fund budget is for the USOE to operate the print shop, mail room and supply room. It is funded entirely through Dedicated Credits depending on different USOE division use. Attached are the Internal Service Fund rates.

The Legislature needs to approve the rates that generate the revenue for this fund. In addition the Legislature needs to approve the number of FTEs and Capital Outlay that will be funded. The Analyst recommends the Legislature approve 8.5 FTE. The Analyst also recommends that the Legislature approve the rate of 18 percent for Non-Restricted Funds and 10 percent for Restricted Funds.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Dedicated Credits	\$901,400	\$1,305,300	\$1,190,400	(\$114,900)
Beg. Nonlapsing	140,700	(151,200)	(75,600)	75,600
Closing Nonlapsing	151,200	75,600		(75,600)
Total	\$1,193,300	\$1,229,700	\$1,114,800	(\$114,900)
Expenditures				
Personal Services	\$232,700	\$264,700	\$274,600	\$9,900
In State Travel	200	200	200	
Current Expense	865,000	865,000	740,900	(124,100)
DP Current Expense	1,100	1,100	200	(900)
Capital Outlay	52,400	52,400	52,400	
Pass Through	41,900	46,300	46,500	200
Total	\$1,193,300	\$1,229,700	\$1,114,800	(\$114,900)
FTE Positions	9.0	8.5	8.5	0.0

3.7 Programs: Office of the Superintendent - Indirect Cost Pool

Recommendation

The Analyst recommends a budget of \$3,619,500 and 47.0 FTEs, and a capital outlay budget authority up to \$72,500. These funds are all Interdepartmental Transfers. The Analyst's recommendation for 47.0 FTE is an increase of two FTE positions over the authorized number for FY 1999. Over the past couple of years, the workload of the accounting section has increased by approximately twenty percent. This includes accounting for the increased grant awards from the federal government as well as program accounting demands for new and growth programs. The computer services agency has experienced a comparable increase in the number of requests for technological solutions to data management. The increase approval of two FTE will be covered through the Indirect Cost Pool. The request is for authorization of the two FTE only.

The Analyst also recommends the Legislature approve the following rates.

Printing: \$17.00 per hour labor
 .04 per copy
 Cost plus 35 percent on supplies
 Mail Room: Cost plus 25 percent
 Supply Room: Cost plus 35 percent

Summary

The indirect cost pool funds those programs and individuals who operate the USOE. It is the central core for most of the education programs and it is the liaison with both the State and federal government. It is not directly funded from Uniform School Funds, but rather takes a portion of the total funds from all federal and state funds. They also serve as the accounting, budgeting and purchasing arm for the USOE.

The Legislature needs to approve the cost pool rates that generate the revenue for this fund. In addition the Legislature needs to approve the number of FTEs and Capital Outlay that will be funded by this pool. The Analyst recommends the Legislature approve 47.0 FTE, and \$72,500 for Capital Outlay.

	FY 1998	FY 1999	FY 2000	FY 99/00
Funding	Actual	Estimated	Analyst	Difference
Beg. Nonlapsing	\$410,200	\$406,300	\$209,800	(\$196,500)
Closing Nonlapsing	(406,300)	(209,800)		209,800
Transfers	3,287,800	3,375,200	3,409,700	34,500
Total	\$3,291,700	\$3,571,700	\$3,619,500	\$47,800
Expenditures				
Personal Services	\$2,453,000	\$2,647,600	\$2,677,800	\$30,200
In State Travel	12,900	12,900	12,900	
Out of State Travel	15,700	15,700	15,700	
Current Expense	416,400	449,300	459,600	10,300
DP Current Expense	363,800	373,700	381,000	7,300
DP Capital Outlay		72,500	72,500	
Capital Outlay	29,900			
Pass Through				
Total	\$3,291,700	\$3,571,700	\$3,619,500	\$47,800

FTE Positions	45.00	45.00	47.00	2.0
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Indirect Cost Pool	
Revenues:	\$3,619,500
FTE:	47.00
Capital Outlay:	\$72,500

4.0 Tables: State Office of Education

Funding	FY 1997 Actual	FY 1998 Actual	FY 1999 Estimated	FY 2000 Analyst
Uniform School Fund	\$13,508,500	\$13,410,500	\$13,613,700	\$13,613,700
Uniform School Fund One-Time			70,000	
Federal Funds	79,269,400	91,042,500	109,303,100	109,303,100
Dedicated Credits	5,609,300	5,310,700	4,939,100	4,939,100
Mineral Lease	708,500	685,900	697,500	641,300
GF Restr. - Sub. Abuse Prev.	364,000	91,900	106,400	225,000
DC - Drivers Education				
DC - Displaced Homemakers			320,000	320,000
Professional Practices Acct.				
Lapsing Funds	(15,300)			
Beg. Non-lapsing	4,341,300	3,748,400	4,664,800	3,866,300
Closing Non-lapsing	(3,748,400)	(4,664,800)	(3,866,300)	(3,866,300)
Transfers	366,000	211,900	215,000	215,000
Total	\$100,403,300	\$109,837,000	\$130,063,300	\$129,257,200
Programs				
Board of Education	\$1,370,300	\$1,206,600	\$1,165,200	\$643,200
Instructional Service	68,078,600	75,712,600	90,491,600	90,388,900
Applied Technology Ed.	18,239,600	20,084,200	21,839,200	21,839,200
Agency Support	4,423,900	4,303,800	4,809,600	4,509,600
Strategic Planning	8,290,900	8,529,800	11,757,700	11,876,300
Total	\$100,403,300	\$109,837,000	\$130,063,300	\$129,257,200
Expenditures				
Personal Services	\$11,130,100	\$11,481,500	\$12,106,700	\$12,106,700
In State Travel	330,100	285,900	285,900	285,900
Out of State Travel	128,500	147,200	147,200	147,200
Current Expenses	5,077,500	5,233,600	5,387,000	5,160,200
Data Processing	1,367,500	1,256,700	1,193,000	1,173,900
D. P. Capital Outlay	388,400	27,600	47,500	47,500
Pass Through	81,973,900	91,404,500	110,896,000	110,335,800
Total	\$100,403,300	\$109,837,000	\$130,063,300	\$129,257,200
FTE	63.0	205.0	206.5	206.5

4.0 Summary: USOE Internal Service Funds and Indirect Cost Pool

	FY 1997	FY 1998	FY 1999	FY 2000
Funding	Actual	Actual	Estimated	Analyst
Dedicated Credits	\$1,041,300	\$901,400	\$1,305,300	\$1,190,400
Beg. Non-lapsing	439,700	550,900	255,100	134,200
Closing Non-lapsing	(550,900)	(255,100)	(134,200)	
Transfers	3,154,200	3,287,800	3,375,200	3,409,700
Total	\$4,084,300	\$4,485,000	\$4,801,400	\$4,734,300
	FY 1997	FY 1998	FY 1999	FY 2000
Programs	Actual	Actual	Estimated	Analyst
Internal Service Fund	\$1,073,300	\$1,193,300	\$1,229,700	\$1,114,800
Office of Supt. - I/C	3,011,000	3,291,700	3,571,700	3,619,500
Total	\$4,084,300	\$4,485,000	\$4,801,400	\$4,734,300
Indirect Cost Pool Rates				
Printing: \$17.00 per hour labor				
\$.04 per copy				
Cost plus 35% on supplies.				
Mail Room: Cost plus 25%				
Supply Room: Cost plus 35%				
Internal Service Fund:				
Revenues:				\$1,114,800
FTE:				8.50
Capital Outlay:				\$52,400
Indirect Cost Pool:				
Revenues:				\$3,619,500
FTE:				47.00
	FY 1997	FY 1998	FY 1999	FY 2000
Expenditures	Actual	Actual	Estimated	Analyst
Personal Services	\$2,572,500	\$2,685,700	\$2,912,300	\$2,952,400
In State Travel	12,300	13,100	13,100	13,100
Out of State Travel	13,000	15,700	15,700	15,700
Current Expenses	1,174,800	1,281,400	1,314,300	1,200,500
Data Processing	236,700	364,900	374,800	381,200
D. P. Capital Outlay	26,800		72,500	72,500
Capital Outlay		82,300	52,400	52,400
Pass Through	48,200	41,900	46,300	46,500
Total	\$4,084,300	\$4,485,000	\$4,801,400	\$4,734,300
FTE Positions	53.75	54.00	53.50	55.50

4.1 Federal Funds: State Office of Education

Programs	FY 1997 Actual	FY 1998 Actual	FY 1999 Estimated	FY 2000 Analyst
Instructional Service				
Aids Education	\$202,100	\$270,700	\$219,400	\$219,400
Bilingual Education	93,100	109,700	100,000	100,000
Handicapped Student Services	79,300			
Low Income Children Program	27,909,800	34,781,300	35,300,000	35,300,000
Migrant Education	1,254,300	1,185,300	1,236,000	1,236,000
Chapter I Administration	100			
Neglected and Delinquent Prog.	387,100	316,200	450,400	450,400
Program Improvement	116,300	39,800		
Utah Grant for Deaf and Blind	140,600	106,400	132,000	132,000
Visually Impaired & Blind Ed.	20,839,400	23,022,400	34,156,900	34,156,900
National Dif. Network	1,300			
Chapter II Block Grant	2,892,000	2,606,500	3,320,400	3,320,400
Immigrant Education Program	190,000	831,200	2,142,000	2,142,000
Title II Math	1,112,900	1,944,100	1,899,100	1,899,100
Vis. Imp. & Blind Sch. Incentive	2,995,300	3,118,800	3,492,000	3,492,000
Drug Free Schools	2,346,800	107,300	100,000	100,000
Homeless Children Education	121,700	86,800	127,500	127,500
Public Education Misc. Grants	1,177,800	2,298,000	2,400,000	2,400,000
Subtotal Instructional Services	\$61,859,900	\$70,824,500	\$85,075,700	\$85,075,700
Applied Technology Ed.				
Adult Education Act	\$1,455,300			
Visually Impaired & Blind Ed.	18,300	\$23,900	\$25,000	\$25,000
Vocational Ed. Basic Grant	10,588,100	10,323,200	11,495,200	11,495,200
Chapter II Block Grant	124,300	135,500	140,000	140,000
Drug Free Schools		2,108,000	2,735,900	2,735,900
Public Education Misc. Grants	2,998,000	4,541,600	4,541,600	4,541,600
Subtotal Applied Technology Ed.	\$15,184,000	\$17,132,200	\$18,937,700	\$18,937,700
Agency Support				
Public Education Misc. Grants	\$19,400	\$10,900	\$15,000	\$15,000
Subtotal Agency Support	\$19,400	\$10,900	\$15,000	\$15,000
Strategic Planning				
Adult Education Act		\$1,741,500	\$1,670,200	\$1,670,200
Civil Rights IV	\$35,400			
Byrd Scholarship	259,700	256,900	391,500	391,500
Public Education Misc. Grants	1,911,000	1,076,500	3,213,000	3,213,000
Subtotal Strategic Planning	\$2,206,100	\$3,074,900	\$5,274,700	\$5,274,700
Grand Total	\$79,269,400	\$91,042,500	\$109,303,100	\$109,303,100